



FOR IMMEDIATE RELEASE

DECEMBER 10, 2012

**ARTIS ACQUIRES \$44.9 MILLION OF PROPERTIES,  
ANNOUNCES NEW UNCONDITIONAL AGREEMENTS OF \$47.3 MILLION;  
“IDS CENTER” IN MINNEAPOLIS IS NOT UNDER CONTRACT OR LOI**

Artis Real Estate Investment Trust (TSX: AX.UN) (“Artis” or the “REIT”) announced that it has recently acquired \$44.9 million of industrial and retail properties in Western Canada and in Ontario’s Greater Toronto Area (the “GTA”), and has entered into unconditional agreements to acquire two additional Western Canadian properties for an aggregate of \$47.3 million.

“2012 has been an active year for Artis, with approximately CAD\$697 million and US\$289 million of accretive acquisitions closed during the year, and several more deals tied up now, which we anticipate will close in 2013,” said Armin Martens, CEO of Artis REIT. “However, contrary to recent news reports out of the U.S., we are not going firm on the acquisition of the IDS Center in downtown Minneapolis; the IDS Center is not a property Artis has under contract or Letter of Intent.”

On November 22, 2012, Artis acquired the GTA West Portfolio, which is a 5-building industrial portfolio comprising 296,795 square of leasable area. The properties are well-located in strong industrial submarkets of the GTA, and were constructed between 1975 and 1985 with clear ceiling heights of 18 to 30 feet. The GTA West Portfolio is 100% occupied by five tenants offering strong covenants, with a weighted-average lease term to maturity of five years and no leases expiring within the next three years. The purchase price of \$26.5 million, representing a going-in capitalization rate of 6.6%, was financed with cash.

On November 30, 2012, Artis acquired Circle West, a 74,156 square foot retail development located in Saskatoon, Saskatchewan. Circle West is 100% leased to various national tenants including CIBC, SportChek, Good Life Fitness and Jysk, with a weighted-average lease term to maturity of 9.8 years, with periodic escalations. The properties are shadow anchored by Superstore and adjacent to Confederation Mall, and offer 381 parking stalls for a parking ratio of 5.1 stalls per 1,000 square feet. The purchase price of \$18.4 million, representing a going-in capitalization rate of 6.3%, was financed with cash and from the proceeds of a new \$11.9 million 10-year mortgage financing bearing interest at a rate of 3.9% annum.

***New Unconditional Agreements:***

Artis has also entered into an unconditional agreement to acquire Century Crossing III, an 83,329 square foot newly developed retail centre located in Spruce Grove, Alberta, at the intersection of Century Road and Highway 16A. Spruce Grove, which is approximately 11 kilometers from the Edmonton City limits, is a thriving community of 72,000 and one of Alberta’s fastest growing communities with a 20% population increase over the last four years. Century Crossing III is 100% leased to high-quality national tenants including SportChek, Winners, Michaels and Petsmart, on long-term leases with periodic escalations, expiring in 2023 or later. The purchase price of \$26.4 million, representing a going-in capitalization rate of 6.1%, is expected to be financed with cash and from the proceeds of new mortgage financing, yet to be arranged. The acquisition is expected to close in two phases, the first \$15.7 million occurring on February 1, 2013 and the second anticipated to occur on July 1, 2013.

Artis has entered into an unconditional agreement to acquire the PTI Building, a new 71,654 square foot industrial property being constructed in Acheson, Alberta. PTI is 100% leased until 2028, with periodic escalations, to Oil States International Inc. (NYSE: OIS), an international provider of products and services

to the oil and gas industry. Acheson is a well-established industrial node approximately ten kilometers east of Edmonton, with excellent access to main Alberta transportation routes including the Yellowhead Trail, Highway No. 16, and Highway No. 60. The purchase price of \$20.9 million, representing a going-in capitalization rate of 7.0% is expected to be financed with cash, and from the proceeds of new mortgage financing to be arranged.

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Artis is a diversified Canadian real estate investment trust investing in office, industrial and retail properties. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties in Canada and the United States, with a major focus on Western Canada. Artis' commercial property comprises approximately 23.4 million square feet of leasable area in 220 properties. Leasable area by asset class is approximately 18.3% retail, 32.1% office and 49.6% industrial. The portfolio is located 7.9% in British Columbia, 25.7% in Alberta, 5.1% in Saskatchewan, 15.4% in Manitoba, 16.0% in Ontario and 29.9% in the U.S.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer, Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Chief Administrative Officer of the REIT at (204) 947-1250.